

# ***HUMAN RESOURCES***

*To provide leadership and operational support to City departments to enhance their ability to recruit and retain a qualified, diverse workforce and to effectively manage business risks.*

## Chapter Overview

This budget chapter reflects key elements of the Human Resources Department's Strategic Business Plan, which was developed as part of Focus On Results (FOR) Long Beach, the City's commitment to performance management.

As part of this strategic planning process, the Department identified, with input from community stakeholders and employees, significant issues to be confronted over the next two- to five-years. Strategic objectives have also been developed as part of this effort to help guide the Department in addressing these issues. The Department of Human Resources has also developed its program structure and a full family of program performance measures, including outcome, efficiency, demand, and output measures. The program structure and performance measures serve as the basis for the City's performance-based program budget and will add clarity to the City's budget by aligning department program information (purpose statement and listing of services), budget allocations, and performance information, all at the program level.

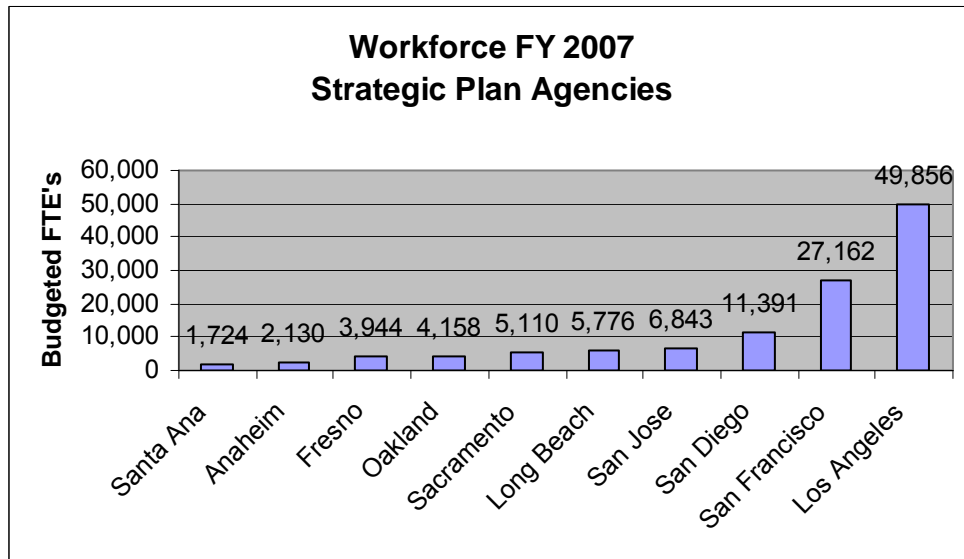
Please note that while the Department of Human Resources has completed its Strategic Business Plan, a number of the key performance measures may be new to the Department and will take time to fully develop and collect the performance information. Therefore, some performance measures are presented at this time without the corresponding performance information. As the Department is able to work toward full implementation, existing measures may be changed and/or new ones may be added.

### Table of Contents

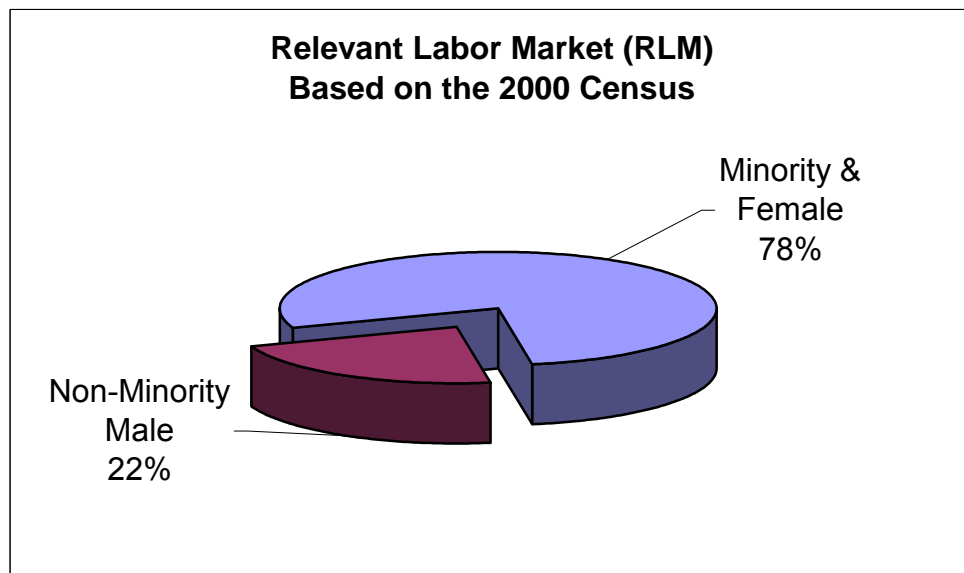
Service Delivery Environment	271
Significant Issues	275
Strategic Objectives	276
Summary by Line of Business and Fund	277
Personnel Operations and Employee Services Line of Business Summary and Accomplishments	278
Program Summaries	279-280
Risk Management Line of Business Summary and Accomplishments	281
Program Summaries	282-284
Leadership and Organizational Development Line of Business Summary and Accomplishments	285
Program Summary	286
Administration Line of Business Summary and Accomplishments	287
Program Summary	288
Summary by Character of Expense	289
Personal Services	290
Key Contacts	291

## Service Delivery Environment

Human Resources is an internal service department and our customers are other City departments. Our job is to provide the support they need to assist them in accomplishing their service objectives, and to ensure that salaries, benefits and working conditions are competitive enough to attract, retain and motivate our employees. The chart below shows the comparison of full time equivalent employees by strategic plan agency. Strategic plan data is effective as of January 2007.



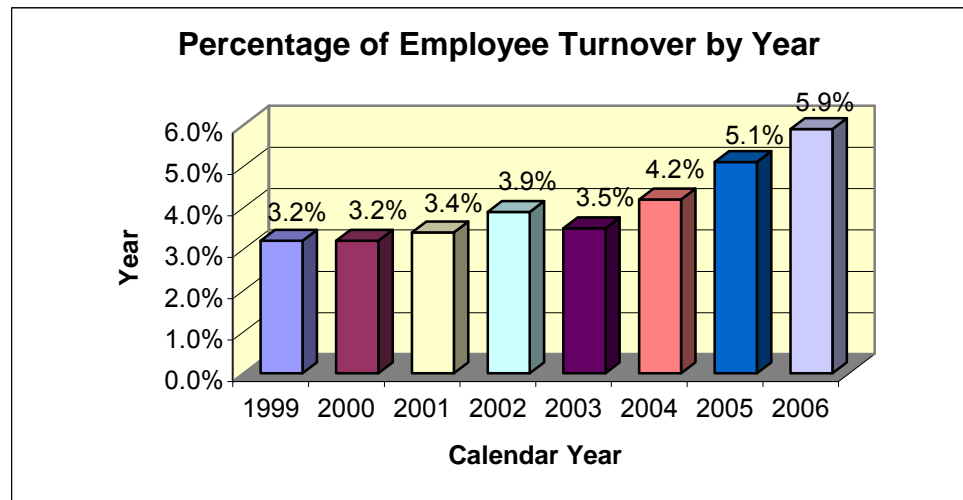
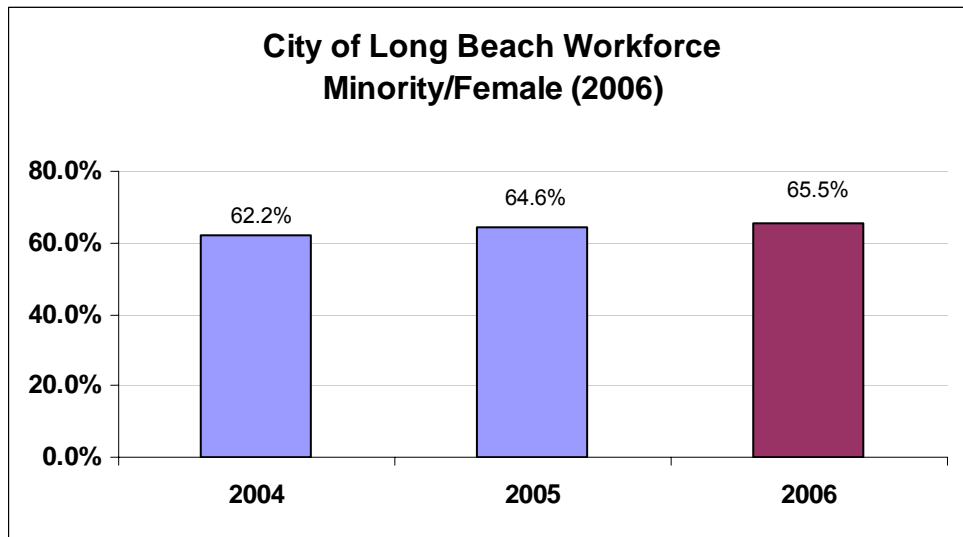
The City uses an Equal Employment Opportunity Plan (EEOP) to analyze the City's workforce in comparison to its relevant labor market to determine if females and/or minorities are under-represented in the workforce. As of December 31, 2006, the City's workforce was comprised of 4,579 full-time permanent employees. Gains in 2006 for both minority and female hiring of 4 percent and workforce representation of 1 percent, reflect a continued improvement over previous years. The City's strategic goal is to enlarge the minority and female applicant pool so that the workforce can increase from approximately 65 percent to 67 percent minority and female by 2008, which is closer to the Relevant Labor Market (RLM) of 78 percent minority & female population. Please see the graph below titled "Relevant Labor Market (RLM) Based on the 2000 Census".



## Service Delivery Environment

The RLM is based on demographic data from the 2000 Census and reflects the combined labor forces of Los Angeles and Orange counties, since both counties are used as primary areas for recruitment and represent where most City employees currently live. The current RLM is composed of approximately 75 percent of the workforce in Los Angeles County and 25 percent of the workforce in Orange County.

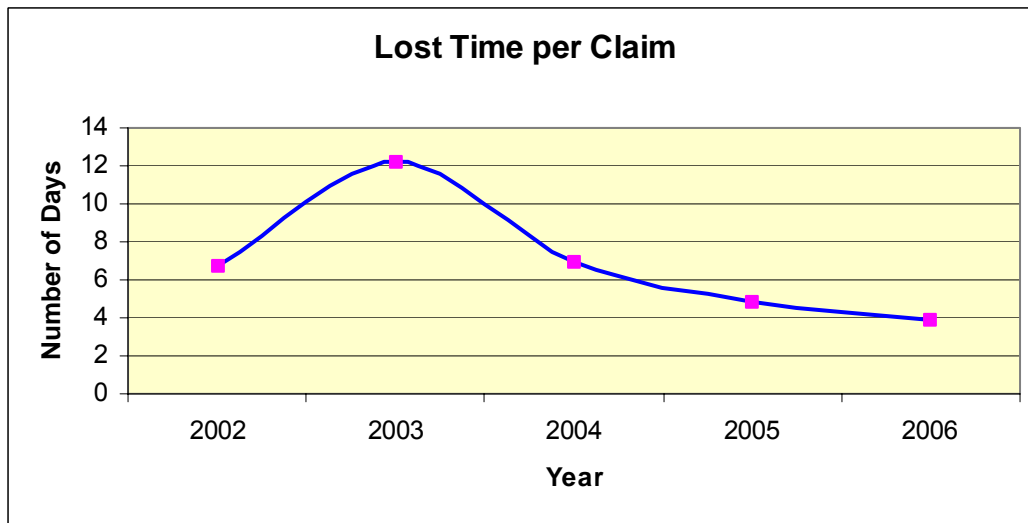
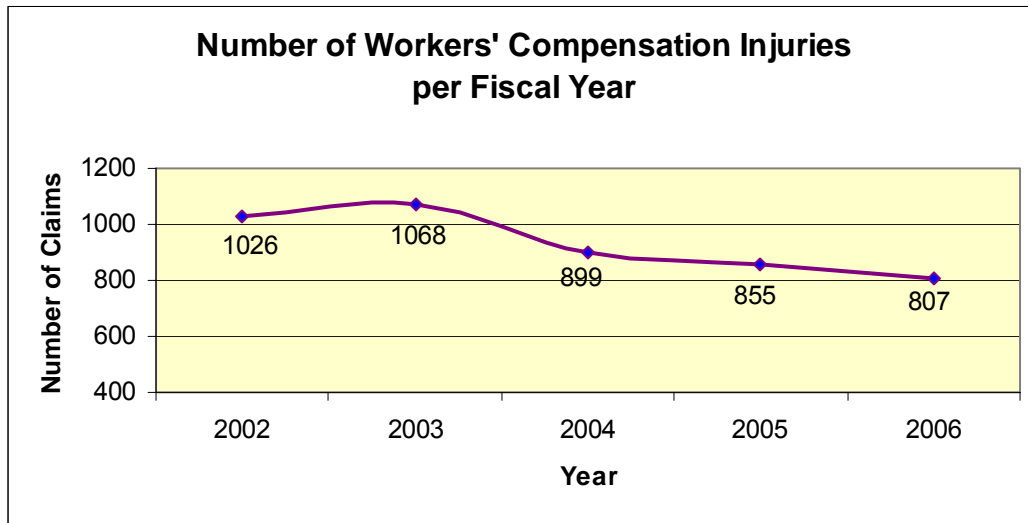
Over the past three years, the City of Long Beach workforce has become more diverse from approximately 62 percent in 2004 to nearly 66 percent in 2006. These gains are a reflection of the City's strategic objective to increase the applicant pool of qualified minority and women candidates for employment with the City. Portrayed below, is a graph of the current City of Long Beach Workforce Minority/Female (2006).



The chart above shows the percent of permanent employee turnover by calendar year for the City as a whole, which includes resignations and dismissals and excludes deaths and retirements.

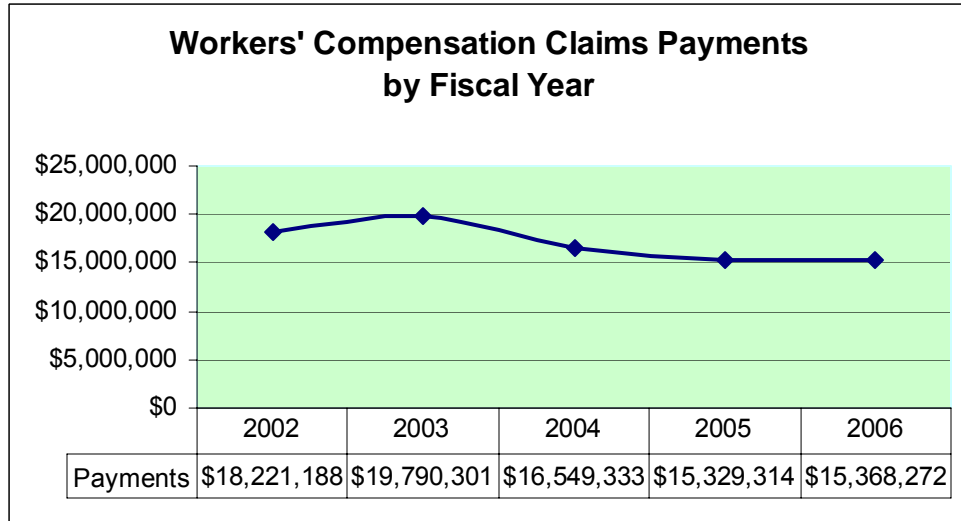
## Service Delivery Environment

Human Resources, along with City Attorney's Office and all departments, has continued to maintain the reduction in workers' compensation costs and lost work hours through the implementation of the workers' compensation business improvement process. With a continued focus on reducing the current cost of claims and improving the process of claims handling, we strive to continue this trend through FY 08.



The two charts above show how the City has reduced the number of overall workers' compensation claims, along with the average amount of lost workdays per claim over the last five years. Reducing and even maintaining current expenditures is a significant accomplishment given that medical costs continue to increase far beyond the consumer price index.

## Service Delivery Environment



As seen in the chart above, the implementation of the new workers' compensation business improvement processes has had an impact on the cost of workers' compensation within the City. There has been a \$4.4 million (or 22.3 percent) reduction in workers' compensation claims payments since 2003.

## Significant Issues

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- The profile of the City's workforce is diversifying. This creates a challenge in reconciling the needs of the incumbent aging workforce, which is characterized by a focus on retention and secure benefits, and the demands of the new, emerging workforce, that values flexible work environments and personal/professional growth. This will tax the ability of individual departments to replace, retain, and develop staff adequate to deliver core City services.
- The service demands placed on the City's workforce by a growing and diversifying community, along with regulatory changes and advancing technologies that the workforce must keep abreast of, will create gaps in recruitment/retention needs and skill levels. This will challenge departments to anticipate, prepare for, and respond quickly to these changing demands through training and workforce development.
- The changing business and political environment — such as budget constraints, state of the local economy, and a move toward more employee benefit cost sharing — will continue to impact the costs, workload and/or complexities of benefits to employees and retirees.
- Due to an increasingly lengthy hiring process, departments are experiencing unacceptable delays in filling vacancies and an increase in the use of contingency workforce, which may result in morale problems and gaps in service quality and increased liability.
- The fluctuations in the insurance market and the on-going changes in law (e.g., workers' compensation law changes, less governmental immunities for liability issues) will continue to increase the workload, costs and departmental training requirements to effectively manage risks in general liability, workers' compensation and property exposures.

## Strategic Objectives

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- By end of FY 06, 95% of all personnel documents requiring Human Resources Department review and approval (Personnel Requisitions, Live Scan Requests, Exceptions to Step Placement, etc.) will be processed by the Department within 3 business days (Personnel Operations Program).

**Focus Area: Leadership, Management, and Support; Youth: No**

- By the end of FY 07, we will review and make improvements to the overall/cross-departmental process as indicated by:
  - Reducing the median length of time for hiring approval (for position vacancies) from 20 to 15 days (Personnel Operations Program)

**Focus Area: Leadership, Management, and Support; Youth: No**

- By the end of FY 07, we will enhance external recruitment/outreach efforts and expand internal staff training and development in order to enlarge the applicant pool so that minority and female workforce representation will increase from 64.6% to 67%, which is closer to parity with the Labor Market Availability (LMA).

**Focus Area: Leadership, Management, and Support; Youth: No**

- By the end of FY 09, we will improve the safety of the workplace by:
  - Increasing the safety compliance rate with safety regulations from 81.7% to 90% (Occupational Safety Program)
  - Increasing the percentage of departments that respond to corrective actions from the Annual Facility Audit within 30 days from 24.2% to at least 50% (Occupational Safety Program)
  - Decreasing the occupational injury and illness rate by 7.2% (from 9.7 injuries and illnesses per 100 employees to 9.0 injuries and illnesses per 100 employees) (Occupational Safety Program)
  - Decreasing the vehicle on duty accident rate (City- and employee-owned on duty vehicles) by 7% (from 409 accidents to 380 accidents) (Occupational Safety Program).

**Focus Area: Leadership, Management, and Support; Youth: No.**

- By the end of FY 08, the cost of financial liability paid for insurance policies, liability claims and workers' compensation claims will be limited to the industry standard or less (currently at 1%) of the City's overall budget through risk identification, mitigation and transfer, claims administration and active subrogation (Insurance and Loss Control Program).

**Focus Area: Leadership, Management, and Support; Youth: No.**

- By the end of FY 07, we will ensure effective retention rates and an enhanced applicant pool through competitive compensation, attractive benefits package, career development and employee-friendly workplaces as measured by:
  - A retention rate of 95% or greater (Personnel Operations Program)
  - Increasing the percentage of hires through internal promotions from 11% to 15% (Personnel Operations Program)

**Focus Area: Leadership, Management, and Support; Youth: No.**

- By the end of FY 07, we will improve, or continue to maintain, compliance with existing Human Resource-related laws, regulations and legal requirements, as measured through:
  - Increasing the percentage CalOSHA inspections and investigations with no significant compliance problems from 75% to 90% (Occupational Safety Program)
  - Increasing the percentage of ADA requests that are responded to within 2 business days from 75% to 90% (Insurance and Loss Control Program)
  - Increasing the percentage of discrimination/harassment cases that are resolved internally from 87% to 95% (Personnel Operations Program).

**Focus Area: Leadership, Management, and Support; Youth: No.**



## Summary by Line of Business and Fund

### FY 08 Budget by Line of Business

Line of Business	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
<b>Personnel Operations and Employee Services</b>					
Expenditures	2,080,312	2,471,605	2,400,861	97%	2,134,100
Revenues	84	-	(135)	-	-
FTEs	14.12	14.12	14.12	100%	15.12
<b>Risk Management</b>					
Expenditures	4,404,275	5,009,715	4,813,019	96%	4,941,426
Revenues	2,046,172	1,884,101	2,009,324	107%	1,884,101
FTEs	8.50	8.50	8.50	100%	8.50
<b>Leadership and Organizational Development</b>					
Expenditures	172,060	201,877	151,376	75%	359,827
Revenues	-	-	-	-	-
FTEs	1.00	1.00	1.00	100%	1.00
<b>Administration</b>					
Expenditures	11,695	41,525	39,606	95%	456,223
Revenues	18	-	236	-	-
FTEs	2.18	2.00	2.00	100%	3.00
<b>Department TOTALS</b>					
<b>TOTAL Expenditures</b>	<b>6,668,343</b>	<b>7,724,720</b>	<b>7,404,862</b>	<b>96%</b>	<b>7,891,576</b>
<b>TOTAL Revenues</b>	<b>2,046,274</b>	<b>1,884,101</b>	<b>2,009,425</b>	<b>107%</b>	<b>1,884,101</b>
<b>TOTAL FTEs</b>	<b>25.80</b>	<b>25.62</b>	<b>25.62</b>	<b>100%</b>	<b>27.62</b>

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level

\*Amounts exclude all-years carover.

### FY 08 Budget by Fund

Fund	Expenditures	Revenues	Net Fund Support
Insurance	5,217,478	1,884,101	3,333,377
Employee Benefits	2,674,098	-	2,674,098
<b>Total</b>	<b>7,891,576</b>	<b>1,884,101</b>	<b>6,007,475</b>

## Personnel Operations and Employee Services Line of Business

Program	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
<b>Personnel Operations</b>					
Expenditures	1,188,815	1,266,720	1,269,629	100%	1,203,128
Revenues	56	-	-	-	-
FTEs	6.77	6.57	6.57	100%	6.57
<b>Employee Benefits &amp; Equal Employment</b>					
Expenditures	891,497	1,204,885	1,131,232	94%	930,972
Revenues	29	-	(135)	-	-
FTEs	7.35	7.55	7.55	100%	8.55
<b>Line of Business TOTALS</b>					
<b>TOTAL Expenditures</b>	<b>2,080,312</b>	<b>2,471,605</b>	<b>2,400,861</b>	<b>97%</b>	<b>2,134,100</b>
<b>TOTAL Revenues</b>	<b>84</b>	<b>-</b>	<b>(135)</b>	<b>-</b>	<b>-</b>
<b>TOTAL FTEs</b>	<b>14.12</b>	<b>14.12</b>	<b>14.12</b>	<b>100%</b>	<b>15.12</b>

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level

\*Amounts exclude all-years carover.

**Purpose Statement:** To provide human resources consultation, operational support, and information services to City departments and employees so that the organization can recruit and retain a qualified and productive workforce.

### FY 07 Key Accomplishments:

- Completed Employee Healthcare Optimization and Management Compensation Studies.
- Dora Hogan, Employee Benefits and Equal Employment Manager, was presented with the Civic Leadership Award by the Disabled Resources Center, Inc. for her contributions to improve the quality of life for people with disabilities.
- Developed and implemented the Employee Resource Center providing employees on-line access to personal payroll and benefits information.
- Amended Police MOU to include additional salary enhancements and longevity incentives.
- Completed Classification Compensation Studies for:
  - Health and Human Services/Nurses
  - Long Beach Gas & Oil
  - Library Services
  - Planning and Building
  - Police Department/Lab
- Completed 99 percent of the ADA Transition Plan improvements.

## Personnel Operations Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Personnel Operations  
and Employee Services

**Program Purpose Statement:** To provide policy development, consultation, training, transaction processing, and other human resource management services to City departments so they can effectively recruit and fill vacancies in a timely manner, and retain a diverse and qualified workforce while limiting the City's liability exposure through compliance with government regulations.

**Key Services Provided:** Policy Manuals and Interpretations, Labor Relations, Human Resources Management System (HRMS) Information/Data Entry & Maintenance, Access/Security Services and Reports, Classification/Compensation Studies, Position Audits, Disciplinary Evaluations/Consultations, Labor Law Consultations, Salary Resolution and Organization/Personnel Ordinance Amendments, Executive Recruitment Campaigns, CALPERS Contract Amendments, Retirement Benefits Counseling Sessions, Personnel Files, Employment Verification and Background Checks, HRMS Training

**FY 08 Funding Sources:** Employee Benefits Fund 100%

Personnel Operations	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	1,188,815	1,266,720	1,269,629	100%	1,203,128
Revenues	56	-	-	-	-
FTEs	6.77	6.57	6.57	100%	6.57

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
Retention rate (permanent employees)	95%	95%	95%	100%	95%
# of separations (permanent employees)	256	243	273	112%	245
# of permanent employees	4,592	4,868	4,868	100%	4,900
Program cost per permanent employee	\$258.89	\$260.21	\$260.81	100%	\$245.54

**Results Narrative:** The Personnel Operations Program proposes a \$1.2 million budget in FY 08, a continuation of funding from the previous year. These resources will allow the Department to provide human resource management services for the City's workforce of approximately 4,900 at a cost of an estimated \$245 per employee supported. Many of the measures listed above for the Program are new measures, which will be reported in FY 08. The objectives of the measures are to focus on the retention and career development of current employees and to maintain the satisfaction level of our internal customers. The Personnel Operations Program has recognized the issue of the length of processing time of personnel documents and will continue to make streamlining the process a key priority for FY 08. An efficient approval/hiring process supports departments in recruiting and retaining a qualified and productive workforce that provides important services to the community.

# Employee Benefits and Equal Employment Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Personnel Operations  
and Employee Services

**Program Purpose Statement:** To provide quality health, dental, life insurance and other employee benefit services to active and retired employees; provide a diverse workplace free of discrimination and harassment; and to provide consultations, mediation and investigative services to employees and the public so that the City can attract and retain a healthy, diverse and productive work force; and comply with the Americans with Disabilities Act (ADA).

**Key Services Provided:** Health, Dental, and Life Benefits; Long-term/Short-term Disability Benefits; Deferred Compensation Benefits; Flexible Spending Benefits; Supplemental Life Insurance Benefits; Retiree Health Insurance Benefits; Health Insurance Advisory Committee Support; Unemployment Insurance Claim Appeals and Responses; EEO City Workforce Plan and Interpretations; EEO Complaint/Regulatory Agency Responses; ADA Transition Plan and Monitoring Reports; Citizen and Employee Inquiry and Request Responses; Compliance Reviews and Inspections; Citizen Advisory Commission on Disabilities (CACOD); ADA Reasonable Accommodations Assessments

**FY 08 Funding Sources:** Employee Benefits Fund 85%; Insurance Fund 15%

Employee Benefits & Equal Employment	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	891,497	1,204,885	1,131,232	94%	930,972
Revenues	29	-	(135)	-	-
FTEs	7.35	7.55	7.55	113%	8.55

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
% of active and retired employees reporting that they are 'satisfied' or 'very satisfied' with benefits and services	(a)	90%	85%	94%	92%
# of active employees & retirees served with benefits information	32,527	24,300	25,000	103%	25,000
# of active employees & retirees anticipated to be served with benefits information	36,500	27,165	27,165	100%	27,165
Program cost per permanent employee supported	\$194.14	\$247.51	\$232.38	94%	\$189.99

(a) Tracking systems are being developed to capture this data going forward and/or data not available.

**Results Narrative:** The proposed budget of \$930,972 reflects a slight reduction to the FY 08 Program budget. These resources will allow the Department to support an anticipated 25,000 active and retired employees with benefits information and services with the goal of achieving an overall customer satisfaction rate of 92 percent. The Employee Healthcare Optimization Study has been completed. It is anticipated that the new approaches to funding, Stop Loss and directly contracted ancillary lines of insurance will result in significant savings and cost avoidance in future year's costs. High quality benefits are essential to being an "employer of choice" and to attracting and retaining a high performing workforce.

Additionally, the ADA/EEO Transition Plan is near completion. This accomplishment has earned the City of Long Beach a reputation for being one of the most assessable cities in the country. Human Resources continues to respond to citizen ADA inquiries and requests by working with various City departments and available funding resources to resolve ADA issues throughout the City to ensure a safe environment for the City's disabled citizens.

## Risk Management Line of Business

Program	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
<b>Loss Control and Prevention</b>					
Expenditures	2,846,436	3,321,466	3,222,902	97%	3,303,291
Revenues	2,030,354	1,884,101	2,009,324	107%	1,884,101
FTEs	2.25	2.25	2.25	100%	2.25
<b>Occupational Safety</b>					
Expenditures	565,392	705,695	636,611	90%	677,286
Revenues	-	-	-	-	-
FTEs	3.25	3.25	3.25	100%	3.25
<b>Workers' Compensation</b>					
Expenditures	992,447	982,554	953,506	97%	960,849
Revenues	15,818	-	-	-	-
FTEs	3.00	3.00	3.00	100%	3.00
<b>Line of Business TOTAL</b>					
<b>TOTAL Expenditures</b>	<b>4,404,275</b>	<b>5,009,715</b>	<b>4,813,019</b>	<b>96%</b>	<b>4,941,426</b>
<b>TOTAL Revenues</b>	<b>2,046,172</b>	<b>1,884,101</b>	<b>2,009,324</b>	<b>107%</b>	<b>1,884,101</b>
<b>TOTAL FTEs</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	<b>100%</b>	<b>8.50</b>

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level

\*Amounts exclude all-years carover.

**Purpose Statement:** To provide insurance and loss control, occupational safety, and workers' compensation services to the City so City assets and the health and safety of employees are protected.

### FY 07 Key Accomplishments:

- The City's Revamped Workers' Compensation Program took top honors for the Best Risk Management Program of the year awarded by the Public Risk Management Association (PRIMA).
- Reduced the OSHA recordable incident rate from 12.1 to 8.6 per 100 employees over the last two calendar years.
- Conducted 91 property appraisals to update City property values.
- Developed the Injured Worker Procedures Manual and Flow Charts to make procedures for reporting injuries and bringing employees back to work clearer.

## Loss Control and Prevention Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Risk Management

**Program Purpose Statement:** To provide review/approval, inspection, consultation, inquiry response, and insurance procurement services to City departments and the public so they can have reduced government financial liability and timely turnaround on insurance.

**Key Services Provided:** Insurance Policy Procurement (General and Specialized Lines of Insurance and Policies for City and City-affiliated not-for-profit entities), Department Insurance Fund Allocations, Contractual Certificates of Insurance Approvals, Insurance Consultations (with Departments and vendors, contractors, tenants, and grantees), Special Events Consultations and Insurance Issuances, Loss Control Inspections (of City owned property), Property Appraisals (of City owned property), Current and Future Financial Liability Estimates, Self-insurance Certificates

**FY 08 Funding Source:** Insurance Fund 100%

Loss Control and Prevention	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	2,846,436	3,321,466	3,222,902	97%	3,303,291
Revenues	2,030,354	1,884,101	2,009,324	107%	1,884,101
FTEs	2.25	2.25	2.25	100%	2.25

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
% of City budget paid to insurance policies, liability claims, and workers' compensation claims	(a)	1%	1%	100%	1%
Total premium rate for insurance policies	1,218,067	1,305,878	1,331,942	102%	1,350,000
Total premium rate anticipated for insurance policies	(a)	1,305,787	1,305,787	100%	1,350,000
Dollar insurance and loss control expenditures per capita	\$5.81	\$6.00	\$6.56	109%	\$7.00

(a) Tracking systems are being developed to capture this data going forward and/or data not available.

**Results Narrative:** The proposed budget of \$3.3 million in FY 08 is a continuation of prior year funding levels. These resources will allow the Program to provide insurance related services to departments and maintain a cost of risk (liability claims, workers' compensations claims and insurance policies) at one percent or less of the City's total budget, a cost to the City of approximately \$7 per capita. This figure is considered an industry best practice, which the City should strive to meet to protect the City's assets and promote the City Council priority of maintaining a structurally balanced budget.

# Occupational Safety Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Risk Management

**Program Purpose Statement:** To provide training, inspection, monitoring, reporting, policy development, and consultation services to City departments so they can mitigate workplace hazards, reduce employee injuries, reduce vehicle accidents, and comply with OSHA and other safety regulations.

**Key Services Provided:** City Department Safety Inspections, Safety Training, Safety Reporting, Random Drug and Alcohol Tests, Post-Injury OSHA Notifications and Citation Responses, Industrial Hygiene Assessments, Emergency Preparedness Services, Safety Consultations, OSHA Reporting Reviews, Safety Newsletters, Policy Development, Executive Safety Committee Support, Emergency Operations Center Support, Safety Promotions and Employee Recognitions

**FY 08 Funding Source:** Insurance Fund 100%

Occupational Safety	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	565,392	705,695	636,611	90%	677,286
Revenues	22	-	-	-	-
FTEs	3.25	3.25	3.25	100%	3.25

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
Safety compliance rate as indicated by departments training compliance rate and inspection rate	(a)	85%	80%	94%	85%
Total safety training hours	(a)	25,000	25,000	100%	25,000
# of safety training hours anticipated	(a)	25,000	25,000	100%	25,000
Total program dollar expenditure per employee receiving occupational safety services	\$94.00	\$117.00	\$118.00	101%	\$118.00

(a) Tracking systems are being developed to capture this data going forward and/or data not available.

**Results Narrative:** The City Safety Program proposes a \$677,286 budget for FY 08, a continuation of funding levels. These resources will allow the Program to provide approximately 25,000 safety-training hours to City staff at a cost of approximately \$118 per employee receiving occupational safety training services. In particular, the Department will place an emphasis on injury prevention as well as safety awareness. Safety staff will provide more consultations to departments by attending department safety committee meetings, conducting facility inspections, responding to safety concerns and providing more in-house safety training with the goal to achieve an 85 percent safety compliance rate. This will result in an increase in the number of safety related consultations and number of employees that complete safety related training. Such measures should result in a decrease in the overall City occupational injury and illness rate, promoting a healthy workforce that delivers important services to the community.

## Workers' Compensation Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Risk Management

**Program Purpose Statement:** To provide injured employee placement, public safety disability retirement determination, budget allocation, and performance reporting services to employees so they can get back to work quickly and to City departments so they can have their employee's status determined promptly and reduce the overall cost of claims.

**Key Services Provided:** Return to Work Placements, Safety Disability Determinations, System Reports (management, department, claims administration), Employee Surveys, Insurance Fund Monitoring and Reports, Inter-Departmental Reviews and Consultations

**FY 08 Funding Source:** Insurance Fund 100%

Workers' Compensation	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	992,447	982,554	953,506	97%	960,849
Revenues	15,818	-	-	-	-
FTEs	3.00	3.00	3.00	100%	3.00

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
# of participants served in the Return to Work Program	4	20	7	35%	12
# of participants anticipated to be served in the Return to Work Program	10	20	12	60%	12
Total cost of claims **	15,368,272	16,800,000	16,850,000	100%	16,800,000

\*\* The total cost of claims includes the cost of medical expense and lost time paid to employees while on leave.

**Results Narrative:** The proposed budget of \$960,849 is a continuation of funding in FY 08. In addition to processing an estimated \$16.8 million in workers' compensation claims (including the cost of medical expenses and lost time paid to employees on leave), these resources will allow the Department to provide an anticipated 12 employees with Return to Work Program services. Helping employees get back to work after injury is an important component of maintaining a productive and cost-effective workforce. The majority of the measures in this program are reported on a citywide basis, which could have an impact on the program's overall measure performance. The currently vacant position of Workers' Compensation Officer is expected to be filled and should improve service levels to all departments, providing better oversight and helping to promote the City Council priority of maintaining a structurally balanced budget.



## Leadership and Organizational Development Line of Business

Program	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
<b>Leadership and Organizational Development</b>					
Expenditures	172,060	201,877	151,376	75%	359,827
Revenues	-	-	-	-	-
FTEs	1.00	1.00	1.00	100%	1.00
<b>Line of Business TOTAL</b>					
<b>TOTAL Expenditures</b>	<b>172,060</b>	<b>201,877</b>	<b>151,376</b>	<b>75%</b>	<b>359,827</b>
<b>TOTAL Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FTEs</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100%</b>	<b>1.00</b>

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level

\*Amounts exclude all-years carover.

**Purpose Statement:** To provide employee development, training, communications, recruitment and organizational development services to current and future employees, so they can enhance their skills and prepare for leadership roles in the organization.

**FY 07 Key Accomplishment:**

- Leadership and Organizational Development is a newly created Line of Business for FY 08 and therefore does not currently have any key accomplishments.

# Leadership and Organizational Development Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Leadership and Organizational Development

**Program Purpose Statement:** To provide employee development, training, communications, recruitment, retention activities and organizational development services to current and future employees, so they can enhance their skills and prepare for leadership roles in the organization.

**Key Services Provided:** Leadership and Career Development Programs (Mentoring Programs, Succession Planning Programs, Management Conferences, New Employee Orientations, Supervisor Leadership Training and Development Programs, Management Leadership Training and Development Programs, Management Assistant Program, Reassignment for Training Opportunities, Embracing Diversity Training Programs), Employee Communications & Morale (Employee Newsletters, Employee Surveys, Intranet Pages), Organizational Development & Improvement Programs (Employee Involvement Opportunities, Employee Recognition Activities, Charity Campaigns, Blood Drives), Recruitment Outreach (Civil Service Liaison, Advertisements, Recruitment Bulletins, Job Fairs, Internships).

**FY 08 Funding Source:** Employee Benefits Fund 100%

Leadership and Organizational Development	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	172,060	201,877	151,376	75%	359,827
Revenues	-	-	-	-	-
FTEs	1.00	1.00	1.00	100%	1.00

\* Amounts exclude all-years carover.

Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
% of management positions filled through internal promotion	(a)	(a)	(a)	(a)	(a)
# of management positions filled by internal candidates	(a)	(a)	(a)	(a)	(a)
Total number of vacant management positions	(a)	(a)	(a)	(a)	(a)
Total cost per employee participant in Leadership and Organizational Development programs	(a)	(a)	(a)	(a)	(a)

(a) Tracking systems are being developed to capture this data going forward and/or data not available.

**Results Narrative:** The Leadership and Organizational Development is a newly developed program for FY 08 and therefore has no results for FY 07.

The proposed budget of \$359,827 utilizes existing resources in the Human Resources Department including reallocated costs from other programs. These resources will allow the Department to provide leadership and career development training services to current and future employees. Performance information will be tracked for the first time through the Recruitment, Hiring and Retention Study to be completed for use in FY 08. Additionally, the Program will be tasked with implementation of the new "Embracing Diversity Training Program" (provided in partnership with the National Conference for Community and Justice [NCCJ]), which will contribute to increased awareness of diversity issues among the City's workforce. Leadership and management training services contribute to ongoing professional development of City employees and continual improvement of the organization, delivering important services to the community.

## Administration Line of Business

Program	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
<b>Administration</b>					
Expenditures	11,695	41,525	39,606	95%	456,223
Revenues	18	-	236	-	-
FTEs	2.18	2.00	2.00	100%	3.00
<b>Line of Business TOTAL</b>					
<b>TOTAL Expenditures</b>	<b>11,695</b>	<b>41,525</b>	<b>39,606</b>	<b>95%</b>	<b>456,223</b>
<b>TOTAL Revenues</b>	<b>18</b>	<b>-</b>	<b>236</b>	<b>-</b>	<b>-</b>
<b>TOTAL FTEs</b>	<b>2.18</b>	<b>2.00</b>	<b>2.00</b>	<b>100%</b>	<b>3.00</b>

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level

\*Amounts exclude all-years carover.

**Purpose Statement:** To provide central administrative support, coordination, and direction for the entire Department.

### **FY 07 Key Accomplishments:**

- Appointed new Department Director.
- Completed Department Restructure and created Leadership and Organizational Development Bureau.
- Completed revised FOR Long Beach Strategic Business Plan to match Department restructure.
- Supporting the comprehensive Recruitment, Hiring and Retention Study to evaluate current City procedures and programs to ensure Long Beach is able to provide a qualified workforce to meet the needs of the residents of the City in future years.

## Administration Program

**Focus Area:** Leadership, Management and Support

**Line of Business:** Administration

**Program Purpose Statement:** To provide central administrative support, coordination, and direction for the entire Department.

**Key Services Provided:** Human Resources, Training, Risk Management, Employee Safety, Workers' Compensation, Budget and Accounting, Procurement, Billing and Collections, Contract Management, Records Management, Public Information and Communications and Executive Leadership

**FY 08 Funding Sources:** Insurance Fund 25%; Employee Benefits Fund 75%

Administration	Actual FY 06	Adjusted FY 07	Estimated FY 07	Percent of Budget	Proposed* FY 08
Expenditures	11,695	41,525	39,606	95%	456,223
Revenues	18	-	236	-	-
FTEs	2.18	2.00	2.00	100%	3.00

\* Amounts exclude all-years carover.

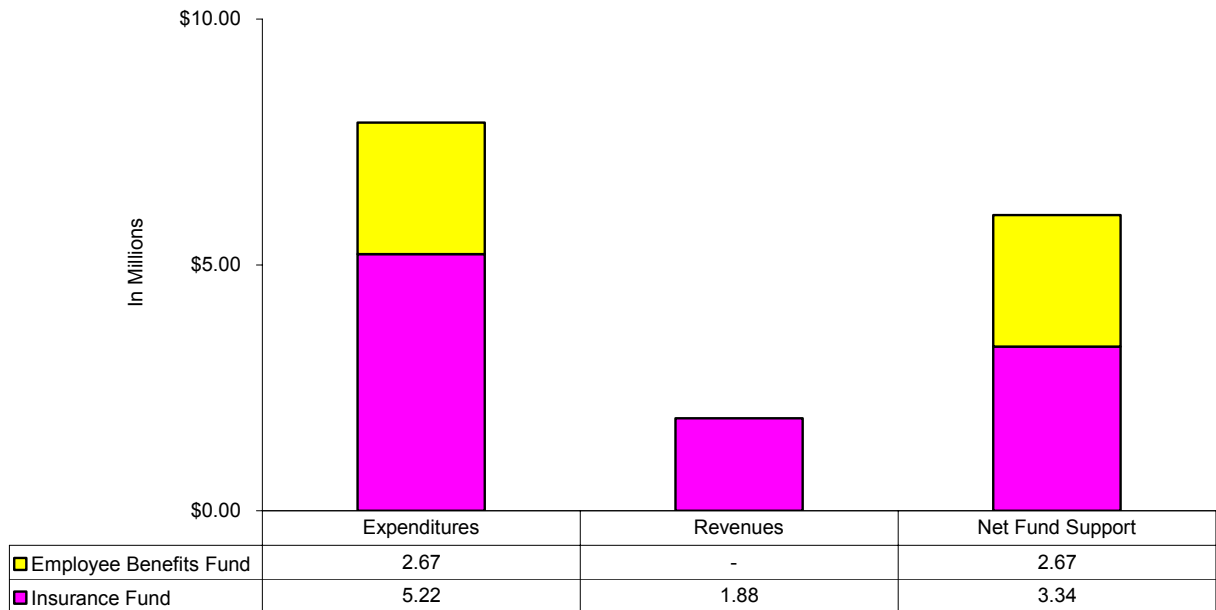
Key Performance Measures	Actual FY 06	Target FY 07	Estimated FY 07	Percent of Budget	Proposed FY 08
June Expenditure ETC as % of Year End Actual	89%	100%	100%	100%	100%
June Revenue ETC as % of Year End Actual	93%	100%	100%	100%	100%
Department vacancy rate	16.0%	14.4%	7.0%	49%	6.3%
Overtime as % of total salaries	0.3%	0.6%	0.6%	100%	0.5%
# of Workers' Comp. claims involving lost time	1	90.0%	(a)	(a)	(a)
# of Lost work hours (expressed in full time equivalents) from Workers' Comp. during Fiscal Year	0	0.0%	(a)	(a)	(a)
Average reporting lag time (in days) for Workers' Comp. claims during Fiscal Year	1 day	1 day	(a)	(a)	1 day

(a) Tracking systems are being developed to capture this data going forward and/or data not available.

**Results Narrative:** The proposed budget of \$456,223 reflects the reallocation of existing expenditures from other Programs in the Department. These resources will allow the Program to focus its efforts to lower the Department vacancy rate to 6.3 percent and to maintain an average reporting lag time in workers' compensation claims of one day. To support these goals, and to enhance administrative coordination among bureaus, research and implementation of best practice programs, a dedicated Administrative Analyst has been added to the Administration Program. In addition, the current Recruitment, Hiring and Retention Study, which scheduled to be completed in December 2007, will most likely require significant change in the way the Human Resources Department operates. A comprehensive Human Resource Department Assessment is planned for FY 08 to further the City Council priority of managing the organization's resources (fiscal and human) as efficiently and as effectively as possible.

## Summary by Character of Expense

**Proposed\* FY 08 Budget by Fund**



	Actual FY 06	Adopted* FY 07	Adjusted FY 07	Estimated FY 07	Proposed* FY 08
<b>Expenditures:</b>					
Salaries, Wages and Benefits	2,238,524	2,637,748	2,637,748	2,419,147	2,961,745
Materials, Supplies and Services	3,558,482	3,971,328	4,325,631	4,215,052	4,135,503
Internal Support	890,112	761,342	761,342	766,491	794,328
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	(18,775)	-	-	4,172	-
Prior Year Encumbrance	-	-	-	-	-
<b>Total Expenditures</b>	<b>6,668,343</b>	<b>7,370,418</b>	<b>7,724,720</b>	<b>7,404,862</b>	<b>7,891,576</b>
<b>Revenues:</b>					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	5,124	5,000	5,000	5,000	5,000
Revenue from Other Agencies	-	-	-	-	-
Charges for Services	-	-	-	-	-
Other Revenues	305,074	190,000	190,000	296,667	190,000
Interfund Services - Charges	1,736,146	1,689,101	1,689,101	1,689,101	1,689,101
Intrafund Services - GP Charges	-	-	-	-	-
Harbor P/R Revenue Transfers	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Revenues</b>	<b>2,046,344</b>	<b>1,884,101</b>	<b>1,884,101</b>	<b>1,990,768</b>	<b>1,884,101</b>
<b>Personnel (Full-time Equivalents)</b>	<b>25.80</b>	<b>25.62</b>	<b>25.62</b>	<b>25.62</b>	<b>27.62</b>

\* Amounts exclude all-years carryover.

## Personal Services

Classification	FY 06 Adopt FTE	FY 07 Adopt FTE	FY 08 Prop FTE	FY 07 Adopted Budget	FY 08 Proposed Budget
Director of Human Resources	1.00	1.00	1.00	145,575	163,568
Accident Prevention Coordinator-Confidential	1.00	-	-	-	-
Administrative Aide II-Confidential	1.00	1.00	1.00	49,827	50,623
Administrative Analyst III-Confidential	1.00	1.00	2.00	60,545	141,830
Affirmative Action/ADA Officer	-	-	1.00	-	78,000
Administrative Assistant to City Manager	-	1.00	-	103,001	-
City Safety Officer	1.00	1.00	1.00	85,034	86,554
Clerk Typist II-NC	0.50	0.50	0.50	14,361	14,750
Clerk Typist III-Confidential	1.00	1.00	1.00	39,592	40,672
Clerk Typist III-NC	0.30	0.12	0.12	4,095	4,881
Employee Benefits/Service Officer	-	-	1.00	-	109,077
Equal Employment/ADA Officer	1.00	-	-	-	-
Executive Assistant	-	1.00	1.00	51,868	56,883
Executive Secretary	1.00	-	-	-	-
Human Resources Officer	2.00	2.00	1.00	166,296	109,077
Manager-Personnel Operations	1.00	1.00	1.00	112,247	120,816
Manager-Risk Management	1.00	1.00	1.00	106,135	109,319
Personnel Analyst I-Confidential	1.00	1.00	1.00	65,189	59,010
Personnel Analyst II-Confidential	2.00	2.00	2.00	112,234	132,149
Personnel Analyst III-Confidential	3.00	3.00	4.00	222,375	293,806
Personnel Assistant II-Confidential	5.00	5.00	5.00	230,844	241,083
Safety Specialist II	-	1.00	1.00	56,402	61,793
Secretary-Confidential	2.00	2.00	2.00	82,651	88,046
<b>Subtotal Salaries</b>	<b>25.80</b>	<b>25.62</b>	<b>27.62</b>	<b>1,708,271</b>	<b>1,961,936</b>
<b>Overtime</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>9,550</b>	<b>9,550</b>
<b>Fringe Benefits</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>865,528</b>	<b>962,326</b>
<b>Administrative Overhead</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>54,399</b>	<b>27,934</b>
<b>Salary Savings</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total</b>	<b>25.80</b>	<b>25.62</b>	<b>27.62</b>	<b>2,637,748</b>	<b>2,961,745</b>

## Key Contacts

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Suzanne R. Mason, Director

Ken Walker, Manager of Personnel Operations

Dora Hogan, Manager of Employment Benefits and Equal Employment

David Gonzalez, Manager of Leadership and Organizational Development

Michael Alio, Risk Manager

Reshan Cooray, City Safety Officer

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